

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

301 State House
(317) 232-9855

FISCAL IMPACT STATEMENT

LS 7133

BILL NUMBER: HB 1951

DATE PREPARED: Feb 20, 2001

BILL AMENDED: Feb 20, 2001

SUBJECT: Prescribing of Legend Drugs by Physician's Assistants.

FISCAL ANALYST: Kathy Norris

PHONE NUMBER: 234-1360

FUNDS AFFECTED: X

**GENERAL
DEDICATED
FEDERAL**

IMPACT: State

Summary of Legislation: (Amended) This bill gives a physician assistant authority to prescribe legend drugs. The bill authorizes a physician to delegate prescribing privileges to a physician assistant. The bill restricts a physician assistant from prescribing, administering, or monitoring general anesthesia, regional block anesthesia, or deep sedation unless: (1) a physician is physically present in the area to assist in the patient's management; and (2) the physician assistant is qualified to rescue patients from deep sedation and competent to manage a compromised airway and to provide adequate oxygenation and ventilation.

Effective Date: July 1, 2001.

Explanation of State Expenditures: The Health Professions Bureau oversees the state regulation of physician assistants. The Bureau could incur additional expenses if physician assistants are granted prescriptive authority. The promulgation of rules related to this bill is expected to require the Bureau's Physician Assistant Committee to meet monthly in FY 2002 and bimonthly in FY 2003. (The Committee currently meets quarterly.) The Bureau may also experience an increase in telephone inquiries about the proposed changes. The bill will also require the Bureau to discard current controlled substance registration (CSR) applications and create new applications to include physician assistants. The provision's total estimated costs for FY 2002 and FY 2003 are shown below.

Costs Associated with Licensing Physician Assistants and Allowing Prescriptive Authority

Expense	FY2002	FY2003
Per Diem	\$ 3,000	\$ 1,500
Travel	\$ 9,500	\$ 4,750
Printing	\$ 2,000	\$ 1,000
Postage	\$ 2,000	\$ 1,000
Telephone	\$ 750	\$ 750
<u>Supplies</u>	<u>\$ 750</u>	<u>\$ 750</u>
TOTAL	\$18,000	\$ 9,750

The funds and resources required above could be supplied through a variety of sources, including the following: (1) Existing staff and resources not currently being used to capacity; (2) Existing staff and resources currently being used in another program; (3) Authorized, but vacant, staff positions, including those positions that would need to be reclassified; (4) Funds that, otherwise, would be reverted; or (5) New appropriations. As of January 24, 2001, the Bureau had two full-time vacancies. With respect to reversions, the Bureau reverted \$177,982 in FY 2000 and \$160,025 in FY 1999. Ultimately, the source of funds and resources required to satisfy the requirements of this bill will depend upon legislative and administrative actions. This bill contains no appropriations.

Explanation of State Revenues: The proposal may affect the number of new applications and the amount of renewal fees the Bureau collects. The specific impact, however, is indeterminable. As of December 31, 2000, there were 288 certified physician assistants in Indiana. The cost for an initial application is \$30, and the cost to renew the certificate is \$20 biennially. Revenue collected from the physician assistant application and renewal fees in FY 1999 equaled \$2,625. Revenue collected in FY 2000 equaled \$7,105. These fees are deposited in the State General Fund.

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: Health Professions Bureau.

Local Agencies Affected:

Information Sources: Barbara Marvel McNutt, Board Director and Staff Counsel, Health Professions Bureau, (317) 233-4406.